

Message Text

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15

ORIGIN EB-07

INFO OCT-01 ARA-06 ISO-00 AGR-05 CIAE-00 COME-00 INR-07

LAB-04 NSAE-00 SP-02 STR-04 TRSE-00 CIEP-01 FRB-03

OMB-01 ITC-01 L-03 NSC-05 /050 R

DRAFTED BY EB/OT/STA:MCJONES:MH

APPROVED BY EB/OT/STA:WCLARK,JR.

ARA/ECP:ABERRY (INFO)

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R 140137Z APR 76

FM SECSTATE WASHDC

TO AMEMBASSY MONTEVIDEO

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E.O. 11652: N/A

TAGS: ETRD, UY

SUBJECT: ESCAPE CLAUSE PROCEEDING: NON-RUBBER FOOTWEAR

REF: (A) MONTEVIDEO 984, (B) MONTEVIDEO 1235, C) STATE
35949

1. ON FEBRUARY 20, THE INTERNATIONAL TRADE COMMISSION
MADE A UNANIMOUS DETERMINATION 6-0 IN A SECTION 201
(ESCAPE CLAUSE) PROCEEDING UNDER THE TRADE ACT OF 1974
THAT A U.S. INDUSTRY WAS BEING INJURED BY REASON OF IN-
CREASED IMPORTS OF FOOTWEAR. THREE COMMISSIONERS RECOM-
MENDED THAT IMPORT RELIEF BE IN THE FORM OF INCREASED
TARIFFS, TWO COMMISSIONERS RECOMMENDED THAT RELIEF BE IN
THE FORM OF A TARIFF RATE QUOTA (IN WHICH HIGHER DUTIES
ARE IMPOSED ON ENTRIES AFTER A QUOTA HAS BEEN FILLED) AND
ONE COMMISSIONER RECOMMENDED ADJUSTMENT ASSISTANCE.

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2. AS EXPLAINED IN REF C (CHARGES OF U.S. PROTECTIONISM),

THE ITC MUST FIND EVIDENCE OF INCREASED IMPORTS AND OF
SERIOUS INJURY IN ORDER TO MAKE A POSITIVE ESCAPE CLAUSE
DETERMINATION. IN 1968, THE U.S. IMPORTED 181.5 MILLION

PAIRS OF NON-RUBBER FOOTWEAR AND IN 1974 IMPORTS WERE 266.4
MILLION PAIRS. IN THE FIRST NINE MONTHS OF 1975, IMPORTS

WERE 212.8 MILLION PAIRS. AMONG THE EVIDENCE OF INJURY
TO THE INDUSTRY CITED BY THE ITC WAS A FORTY-NINE PERCENT
DECLINE IN THE NUMBER OF U.S. FIRMS PRODUCING FOOTWEAR
FROM 1967 TO 1974.

3. THE REPORT AND RECOMMENDATIONS OF THE COMMISSION HAVE
BEEN REVIEWED BY CONCERNED AGENCIES AND A REPORT OF
OPTIONS HAS BEEN PREPARED FOR THE PRESIDENT WHO HAS UNTIL
APRIL 20 TO MAKE A DECISION IN THIS CASE. AMONG THE
REMEDIES AVAILABLE TO THE PRESIDENT ARE PROVISION OF
ADJUSTMENT ASSISTANCE ALONE OR IN COMBINATION WITH OTHER
REMEDIES, TARIFF RATE QUOTAS, INCREASED TARIFFS, QUOTAS
AND ORDERLY MARKETING AGREEMENTS. MONTEVIDEO HAS BEEN
ADDED TO THE LIST OF POSTS TO RECEIVE INFORMATION ON THE
PRESIDENT'S DECISION IN THIS CASE ASAP. KISSINGER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOOTWEAR, CUSTOMS DUTIES, IMPORT CONTROLS, ESCAPE CLAUSE (TARIFF)
Control Number: n/a
Copy: SINGLE
Draft Date: 14 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
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Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Margaret P. Grafeld
Declassified/Released
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TAGS: ETRD, UY, US
To: MONTEVIDEO
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